GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:184
ANSWERED ON:03.03.2006
CREDIT TO AGRICULTURE SECTOR
Rana Shri Kashi Ram;Thummar Shri Virjibhai

Will the Minister of FINANCE be pleased to state:

(a) whether private and foreign banks are reluctant in advancing credit to agriculture sector;

(b) if so, the reasons therefor; and

(c) the details of the loan to agriculture sector vis-a-vis other sectors advanced by these banks during the last three years, year-wise ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI P.CHIDAMRARAM)

(a) to (c): A Statement is laid on the table of the house.

Statement referred to Parts (a) to (c) of Lok Sabha Starired Question No. 184 to be answered on 3rd March, 2006 regarding Credit to Agriculture Sector, tabled by Shri Kashiram Rana and Shri V.K. Thummar.

(a) to (c): A target of 18% of Net Bank Credit .has been stipulated by Reserve Bank of India for lending to agriculture by domestic scheduled commercial banks, both in public and private sector. As regards lending to agriculture by foreign banks, no special target for agriculture is stipulated in view of the fact that the foreign banks have no rural/semi urban branch net work. The advances to agriculture and other sectors by Private Sector Banks and Foreign Banks are as under:-

(Rs. Crores)

	Private Sector Banks			Foreign Banks		
As on the last reporting Friday of	March 2004	March 2005	15ept.2005 (Provisional)	March 2004	March 2005	Sept.2005 (Provisional)
Total Priority sector advances	48920	69384	74734	17960	23843	23895
Total advances to agriculture	14730	21475	20448	137	84	84
SSI Advances	7590	8668	8701	5307	6906	6320
Other Priority Sectors	26600	39241	45585	12516	16853	17491